

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 25-26, 2005

Reference No.: 3.8
Information Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Ref: **LOCAL ASSISTANCE QUARTERLY LUMP SUM ALLOCATION STATUS REPORT
FOR FISCAL YEAR 2004-05**

SUMMARY:

In June 2004, the California Transportation Commission (Commission) passed Resolution FM-03-10, allocating \$775 million for the Local Assistance Program for FY 2004-05. The initial allocation request was for \$1.1 billion. The Commission reduced the initial allocation request of \$1.1 billion down to \$775 million, pending the final close-out report for FY 2003-04, including prior year expenditure comparison by category. The Department of Transportation (Department) presented this information at the December 2004 Commission meeting.

In March 2005, the Commission approved the remaining allocation of \$361 million of federal funds, bringing the total funds allocated to \$1.1 billion. Of this amount, approximately \$97 million are State funds and \$1 billion are federal funds. This action restored the federal funds for the Hazard Elimination Safety (HES) and Rail Road Crossing Protection programs to the original amounts.

In addition, in January 2005, consistent with SB 1087 (Soto), the Commission approved the exchange of \$22.7 million of federal funds for State funds for the Safe Routes to School Program (SR2S).

As of March 31, 2005, \$335 million or 30 percent of the \$1.1 billion of Local Assistance subvention funds allocated has been expended. These funds were allocated for 495 local projects. The majority of these expenditures, including Federal Transit Administration transfers, are for:

Surface Transportation Program (STP) – 97 projects, \$138.5 million
Congestion Mitigation & Air Quality Program (CMAQ) – 88 projects, \$59.4 million
Demonstration - 11 projects, \$26.5 million

The remaining 299 projects are in other categories and account for 33 percent of the expenditures reported.

BACKGROUND:

The Local Assistance Program administers the local assistance subvention budget under delegated authority from the Commission. The Commission provides an annual lump sum allocation consistent with the Budget Act. The Commission further delegates to the Department the authority to adjust allocations for Local Assistance, and the Department reports to the Commission if transfers in or out of an expenditure category exceed 10 percent of its allocation.

Local Assistance Lump Sum Allocation Status for Fiscal Year (FY) 2004-2005:

As of March 31, 2005, \$335 million or 30 percent of the \$1.1 billion of Local Assistance funds allocated has been expended.

Consistent with prior years, the allocation for Demonstration Projects is zero since specific projects expected to receive funds during this fiscal year are not known. This category is included in the allocation to allow the Department to make allocations using excess funds from other categories and prevent allocation delays for demonstration projects. The Transportation Enhancement Activities-Regional Program projects will be allocated under the State Transportation Improvement Program and is not included in the lump sum allocation. Expenditures related to prior year apportionments have been adjusted from the previous quarterly report to show under prior years. The Transportation Enhancement Activities Exchange category has no expenditures. These funds are used as regions request funds to be exchanged. The STP State Match and Exchange category has spent 103 percent, while the Miscellaneous category has spent 283 percent. Most of the expenditures for the Miscellaneous category are federal for Emergency Relief projects and will be covered by other categories.

The delivery to date for FY 2004-05 (\$335 million or 30 percent of the funds allocated) is higher compared to the same period last year (\$317 million or 33 percent of the funds allocated). It is anticipated that all funds allocated will be used consistently with prior fiscal year trends.

Attachment

LOCAL ASSISTANCE FUNDS
FY 2004-05
(As of March 31, 2005)

Reference No.: 3.8
May 25-26, 2005
Attachment

(Dollars in 1,000)

Fund Description	CTC Allocation			Total Expenditures			Allocation Balance			Percent of Allocation Expended	Number of Projects
	State	Federal	Total	State	Federal	Total	State	Federal	Total	Total	Total
Surface Transportation Pgrm (STP)		376,211	376,211	0	86,529	86,529	0	289,682	289,682	23%	92
STP State Match and Exchange	46,000		46,000	47,477		47,477	-1,477	0	-1,477	103%	131
Congestion Mitigation & Air Qual Pgrm (CMAQ)		410,856	410,856	0	20,552	20,552	0	390,304	390,304	5%	65
Bridge Scour & State Match	735	2,640	3,375	71	282	353	664	2,358	3,022	10%	2
Highway Bridge Rehabilitation & Replacement (HBRR)		130,248	130,248	0	20,200	20,200	0	110,048	110,048	16%	66
Bridge - Seismic Retrofit	0	67,880	67,880	0	17,165	17,165	0	50,715	50,715	25%	19
RR Grade Crossing Protection		12,720	12,720	0	178	178	0	12,542	12,542	1%	7
RR Grade Crossing Maintenance	4,250		4,250	4,250	0	4,250	0	0	0	100%	1
Railroad Grade Separations	15,000	0	15,000	5,554	0	5,554	9,446	0	9,446	37%	2
Hazard Elimination & Safety (HES)	0	12,720	12,720	0	2,267	2,267	0	10,453	10,453	18%	27
Safe Routes to School	22,700	2,740	25,440	0	207	207	22,700	2,533	25,233	1%	4
Transportation Enhancement Activities (TEA) Exchange	6,440	0	6,440	0	0	0	6,440	0	6,440	0%	0
Demonstration Projects	0	0	0	0	26,572	26,572	0	-26,572	-26,572	0%	11
Miscellaneous	2,000	1,625	3,625	996	9,249	10,245	1,004	-7,624	-6,620	283%	29
TEA Regional Share	0	0	0	0	0	0	0	0	0	0%	8
Total Local Assistance Subvented Funds	97,125	1,017,640	1,114,765	58,348	183,201	241,549	38,777	834,439	873,216	22%	464
Federal Transit Administration (FTA) Transfers	0	0	0	0	93,749	93,749	0	0	0		31
Total Local Assistance including FTA Transfers	97,125	1,017,640	1,114,765	58,348	276,950	335,298	38,777	834,439	873,216	30%	495

Assumptions:

- * The amounts do not include Freeway Service Patrol or Bay Area Ferry Operations.
- * FTA Transfers are \$51,980,000 for RSTP, \$38,937,762 for CMAQ, and \$2,831,500 for TEA.
- * Miscellaneous expenditures include projects not included elsewhere.
- * Balances are based on allocation requests.
- * The Allocation Balance is the difference between Commission Allocation and Total Expenditures.
- * Expenditures and Number of Projects is from LP2000 report.